



Billing Code: 5001-06

DEPARTMENT OF DEFENSE

Office of the Secretary

[Transmittal No. 20-45]

Arms Sales Notification

AGENCY: Defense Security Cooperation Agency, Department of Defense.

ACTION: Arms sales notice.

SUMMARY: The Department of Defense is publishing the unclassified text of an arms sales notification.

FOR FURTHER INFORMATION CONTACT: Karma Job at karma.d.job.civ@mail.mil or (703) 697-8976.

SUPPLEMENTARY INFORMATION: This 36(b)(1) arms sales notification is published to fulfill the requirements of section 155 of Public Law 104-164 dated July 21, 1996. The following is a copy of a letter to the Speaker of the House of Representatives, Transmittal 20-45 with attached Policy Justification and Sensitivity of Technology.

Dated: August 14, 2020.

Aaron T. Siegel,

Alternate OSD Federal Register Liaison Officer,

Department of Defense.



DEFENSE SECURITY COOPERATION AGENCY
201 12TH STREET SOUTH, SUITE 101
ARLINGTON, VA 22202-5408

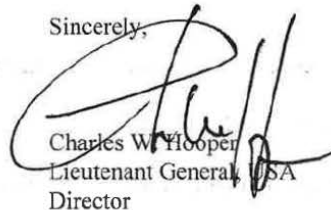
July 9, 2020

The Honorable Nancy Pelosi
Speaker of the House
U.S. House of Representatives
H-209, The Capitol
Washington, DC 20515

Dear Madam Speaker:

Pursuant to the reporting requirements of Section 36(b)(1) of the Arms Export Control Act, as amended, we are forwarding herewith Transmittal No. 20-45 concerning the Navy's proposed Letter(s) of Offer and Acceptance to the Government of Germany for defense articles and services estimated to cost \$130 million. After this letter is delivered to your office, we plan to issue a news release to notify the public of this proposed sale.

Sincerely,

A handwritten signature in black ink, appearing to read "CHW", is written over the typed name and title of the sender.

Charles W. Hooper
Lieutenant General, USA
Director

Enclosures:

1. Transmittal
2. Policy Justification
3. Sensitivity of Technology

Transmittal No. 20-45

Notice of Proposed Issuance of Letter of Offer
Pursuant to Section 36(b)(1)
of the Arms Export Control Act, as amended

(i) Prospective Purchaser: Government of Germany

(ii) Total Estimated Value:

Major Defense Equipment*	\$ 90 million
Other	<u>\$ 40 million</u>
TOTAL	\$130 million

(iii) Description and Quantity or Quantities of Articles or Services under Consideration for Purchase:

Major Defense Equipment (MDE):

Sixty-four (64) MK 54 All Up Round Lightweight Torpedoes
Ten (10) MK 54 Conversion Kits to be used with fleet exercise sections as MK 54
Exercise Torpedoes

Non-MDE:

Also included are torpedo containers; Recoverable Exercise Torpedoes (REXTORP) with containers; Fleet Exercise Section (FES) and fuel tanks to be used with MK 54 conversion kits (procured as MDE); air launch accessories for fixed wing; torpedo spare parts; training, publications, support and test equipment; U.S. Government and contractor engineering, technical, and logistics support services; and other related elements of logistics and program support.

(iv) Military Department: Navy (GY-P-ALC)

(v) Prior Related Cases, if any: None

(vi) Sales Commission, Fee, etc., Paid, Offered, or Agreed to be Paid: None

(vii) Sensitivity of Technology Contained in the Defense Article or Defense Services Proposed to be Sold: See Attached Annex

(viii) Date Report Delivered to Congress: **July 9, 2020**

*As defined in Section 47(6) of the Arms Export Control Act.

POLICY JUSTIFICATION

Germany – MK 54 Lightweight Torpedoes

The Government of Germany has requested to buy sixty-four (64) MK 54 All Up Round Lightweight torpedoes and ten (10) MK 54 Conversion Kits to be used with fleet exercise sections as MK 54 Exercise torpedoes. Also included are torpedo containers; Recoverable Exercise Torpedoes (REXTORP) with containers; Fleet Exercise Section (FES) and fuel tanks to be used with MK 54 conversion kits (procured as MDE); air launch accessories for fixed wing; torpedo spare parts; training, publications, support and test equipment; U.S. Government and contractor engineering, technical, and logistics support services; and other related elements of logistics and program support. The total estimated value is \$130 million.

This proposed sale will support the foreign policy and national security of the United States by improving the security of a NATO Ally which is an important force for political and economic stability in Europe.

The proposed sale will improve Germany's capability to meet current and future threats by upgrading the Anti-Submarine Warfare capabilities on Germany's P-3C aircraft. Germany will have no difficulty absorbing these weapons into its armed forces.

The proposed sale of this equipment and support will not alter the basic military balance in the region.

The principal contractor will be Raytheon Integrated Defense System, Portsmouth, RI. There are no known offset agreements proposed in connection with this potential sale.

Implementation of this proposed sale will not require long-term assignment of any additional U.S. Government or contractor representatives to Germany; however, U.S. Government Engineering and Technical Services may be required on an interim basis for training and technical assistance.

There will be no adverse impact on U.S. defense readiness as a result of this proposed sale.

Transmittal No. 20-45

Notice of Proposed Issuance of Letter of Offer
Pursuant to Section 36(b)(1)
of the Arms Export Control Act

Annex
Item No. vii

(vii) Sensitivity of Technology:

1. The MK 54 Torpedo is a conventional torpedo that can be launched from surface ships and

rotary- and fixed-wing aircraft. The MK 54 is an upgrade from the MK 46 Torpedo. The upgrade to the MK 54 entails replacement of the torpedo's sonar and guidance and control systems with modern technology. The new guidance and control system uses a mixture of commercial-off-the-shelf and custom-built electronics. The warhead, fuel tank, and propulsion system from the MK 46 torpedo are re-used in the MK 54 configuration with minor modifications.

2. The highest level of classification of defense articles, components, and services included in this potential sale is SECRET.

3. If a technologically advanced adversary were to obtain knowledge of the specific hardware or software elements, the information could be used to develop countermeasures that might reduce weapon system effectiveness or be used in the development of a system with similar or advanced capabilities.

4. A determination has been made that Germany can provide substantially the same degree of protection for the sensitive technology being released as the U.S. Government. This sale is necessary in furtherance of the U.S. foreign policy and national security objectives outlined in the Policy Justification.

5. All defense articles and services listed in this transmittal have been authorized for release and export to Germany.

[FR Doc. 2020-18703 Filed: 8/25/2020 8:45 am; Publication Date: 8/26/2020]